

AMENDED IN SENATE MAY 2, 2005  
AMENDED IN SENATE APRIL 11, 2005

**SENATE BILL**

**No. 769**

**Introduced by Senator Simitian**

February 22, 2005

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An act to ~~add Chapter 10.8 (commencing with Section 25940) to Division 15 of the Public Resources Code, and to add Section 383.7 to amend and repeal Section 399.4 of, and to add Section 382.5 to, the Public Utilities Code, relating to energy resources.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 769, as amended, Simitian. Energy Reliability and Affordability Act: *energy-efficient refrigerators.*

~~(1) Existing law requires the State Energy Resources Conservation and Development Commission to implement and administer various energy generation and conservation programs in the state.~~

*(1) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Under the Public Utilities Act, the commission requires electrical corporations to identify a separate rate component to fund programs that enhance system reliability and provide in-state benefits. The funds are collected to support cost-effective energy efficiency and conservation activities, public interest research and development not adequately provided by competitive and regulated markets, and renewable energy resources.*

*Existing law requires the commission, in evaluating energy efficiency investments under its existing statutory authorities, to ensure that no energy efficiency funds are used to provide incentives for the purchase of new energy-efficient refrigerators.*

This bill would *delete that refrigerator purchase restriction and would, instead,* establish the Energy Reliability and Affordability Act, to increase energy reliability and affordability by reducing the demand for energy by residential customers. ~~The bill would create the Energy Reliability and Affordability Fund in the State Treasury, and would authorize expenditures from the fund, upon appropriation by the Legislature, for specified purposes related to the implementation and administration of the act.~~ The bill would require the commission to establish ~~the Energy Reliability and Affordability Program~~ *a refrigerator replacement program* to, among other things, provide incentives to owners of limited-income rental residential units with energy inefficient refrigerators to replace those refrigerators with more energy efficient models. The bill would require the commission to adopt guidelines and regulations to implement the act. *Because a violation of those guidelines or regulations would be a crime under existing law, this bill would create new crimes.* The bill would authorize the commission to contract with an appropriate entity to replace refrigerators pursuant to the act.

The bill would require the commission to annually prepare and submit to the Legislature, the Department of Finance, and the Legislative Analyst's Office, a report containing specified information about the effectiveness of the program, as specified.

~~(2) Under the Public Utilities Act, the Public Utilities Commission (PUC) requires electrical corporations to identify a separate rate component to fund programs that enhance system reliability and provide in-state benefits. This rate component is a nonbypassable element of local distribution and collected on the basis of usage. The funds are collected to support cost-effective energy efficiency and conservation activities, public interest research and development not adequately provided by competitive and regulated markets, and renewable energy resources (renewable energy public goods charge).~~

~~This bill would require that the PUC, at the earliest possible time, initiate ratemaking proceedings to increase the nonbypassable usage provisions in an amount not less than .006 cents per kilowatthour, or in an amount necessary to generate \$10,000,000 per year to be used for the purposes of the act, whichever is greater. The bill would require that a portion of the moneys collected from that renewable energy public goods charge in an amount equal to \$10,000,000 per year be transferred to the Energy Reliability and Affordability Fund to~~

~~be held until further action by the Legislature for the purposes of the act.~~

*(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: ~~no~~-yes.

*The people of the State of California do enact as follows:*

1     *SECTION 1. Section 382.5 is added to the Public Utilities*  
2     *Code, to read:*

3     *382.5. (a) This section shall be known, and may be cited, as*  
4     *the Energy Reliability and Affordability Act. The purpose of the*  
5     *act is to increase energy reliability and affordability by reducing*  
6     *the demand for energy by residential customers in*  
7     *limited-income residential rental units.*

8     *(b) The Legislature finds and declares all of the following:*

9     *(1) In California, refrigerators consume more energy than any*  
10    *other household appliance and consume more energy than any*  
11    *other residential use besides lighting.*

12    *(2) Replacing energy inefficient refrigerators in*  
13    *limited-income residential rental units will greatly benefit all*  
14    *energy consumers by reducing peak and overall energy demand.*

15    *(3) Replacing energy inefficient refrigerators in*  
16    *limited-income residential rental units will further benefit those*  
17    *renters by reducing their energy bills.*

18    *(4) Reducing energy consumption will reduce air pollution,*  
19    *thus reducing public health risks, health care costs, and*  
20    *environmental degradation. Decreasing air pollution will*  
21    *increase the quality of life for all Californians.*

22    *(5) The average first use lifespan of a refrigerator is 19 years,*  
23    *and the average age of the refrigerator fleet in California is 11*  
24    *years.*

25    *(6) Federal energy efficiency standards for refrigerators were*  
26    *set in 1993 and 2001, with each standard requiring an additional*  
27    *30 percent reduction in the appliance's energy consumption.*

1 *Most refrigerators in California do not meet current minimum*  
2 *federal efficiency standards.*

3 *(7) The United States Department of Energy and the United*  
4 *States Environmental Protection Agency established the Energy*  
5 *Star program in 1992 to identify and promote energy-efficient*  
6 *products to reduce greenhouse gas emissions. The Energy Star*  
7 *program qualified refrigerator models that use at least 15*  
8 *percent less energy than required by federal energy efficiency*  
9 *standards, and 40 percent less energy than the models that meet*  
10 *the 2001 standard. The Energy Star program-qualified*  
11 *refrigerators require about half as much energy as models*  
12 *manufactured before 1993.*

13 *(8) Owners of limited-income rental housing units have no*  
14 *incentive to replace older, energy-inefficient refrigerators*  
15 *because renters, rather than the owners, typically are the*  
16 *responsible party for the payment of energy bills incurred in*  
17 *those rental units.*

18 *(9) The Public Goods Charge (PGC) on electricity purchases*  
19 *established pursuant to Section 381 of the Public Utilities Code*  
20 *was created in 1996 to support public purpose programs for*  
21 *energy efficiency, low-income services, renewable energy, and*  
22 *energy-related research and development.*

23 *(10) Under existing PGC programs, investor owned utilities*  
24 *have replaced approximately 200,000 energy inefficient*  
25 *refrigerators.*

26 *(11) The PGC is statutorily indexed to escalate with*  
27 *increasing electricity sales or inflation, whichever is less.*

28 *(12) Approximately four to five million households in*  
29 *California have a combined household income equivalent to, or*  
30 *less than, 175 percent of the federal poverty level.*

31 *(13) Replacing 50,000 energy inefficient refrigerators will*  
32 *save \_\_\_\_ kilowatts per year, which is approximately the amount*  
33 *of kilowatts that would have prevented \_\_\_\_ blackouts in \_\_\_\_*  
34 *year or the need for \_\_\_\_ powerplants.*

35 *(c) As used in this section, the following terms have the*  
36 *following meanings:*

37 *(1) "Certified appliance recycler" means a person or entity*  
38 *engaged in the business of removing and properly managing*  
39 *materials that require special handling from discarded major*  
40 *appliances, and who is certified pursuant to Section 25211.4 of*

1 *the Health and Safety Code. “Certified appliance recycler” does*  
2 *not include a person described in subdivision (b) of Section*  
3 *25211.2 of the Health and Safety Code.*

4 (2) *“Energy efficient refrigerators” means those refrigerator*  
5 *models that meet the 2001 federal energy efficiency standard,*  
6 *and that have also received the Energy Star certification.*

7 (3) *“Energy-inefficient refrigerators” means those models that*  
8 *do not meet the 2001 federal energy efficiency standard.*

9 (4) *“Energy Star” means those models of refrigerators that*  
10 *are certified through the United States Department of*  
11 *Energy/United States Environmental Protection Agency Energy*  
12 *Star program.*

13 (5) *“Limited income” means those individuals and households*  
14 *who qualify for assistance under the California Alternative Rates*  
15 *for Energy (CARE) program established pursuant to Section*  
16 *739.1 of the Public Utilities Code, including those persons whose*  
17 *household income does not exceed 175 percent of the federal*  
18 *poverty guidelines. For disabled and senior citizens, the income*  
19 *eligibility guidelines are set at 200 percent of the federal poverty*  
20 *level.*

21 (6) *“Owner of a limited-income residential rental unit” means*  
22 *the owner of record of any property leased to a limited income*  
23 *individual or household for residential purposes.*

24 (d) (1) *The goal of the program established by this section is*  
25 *to reduce energy consumption by replacing 50,000 energy*  
26 *inefficient refrigerators in limited-income residential rental units*  
27 *each year, utilizing revenues collected pursuant to this section, in*  
28 *addition to those refrigerators previously replaced using funds*  
29 *from the public goods charge established pursuant to Sections*  
30 *381, 382, and 399.8.*

31 (2) *To accomplish this goal, the commission shall establish a*  
32 *refrigerator replacement program, which shall do all of the*  
33 *following:*

34 (A) *Provide sufficient incentives to owners of limited-income*  
35 *residential rental units with energy-inefficient refrigerators to*  
36 *replace those refrigerators with energy-efficient models.*

37 (B) *Provide rebates or other financial incentives that are*  
38 *made available to owners of limited-income residential rental*  
39 *units upon the proof of purchase of the energy-efficient*

1 refrigerator and proof that the inefficient refrigerator is in the  
2 control of a certified appliance recycler.

3 (C) Require that any replacement refrigerator to be in  
4 operating condition.

5 (D) Require that any replacement refrigerators meet or exceed  
6 2001 energy efficiency standards and meet or exceed the United  
7 States Department of Energy/United States Environmental  
8 Protection Agency Energy Star standards for refrigerators.

9 (E) Prohibit any refrigerator exchanged as part of this  
10 program from being refurbished or reused, but permit the  
11 recycling of metal and other parts of the exchanged refrigerator.

12 (F) Prioritize the replacement of the least efficient  
13 refrigerators.

14 (e) The commission shall adopt guidelines and regulations to  
15 accomplish the purposes of this section.

16 (f) The commission may contract with an appropriate entity to  
17 replace refrigerators pursuant to this section.

18 (g) The commission shall consider cost-effectiveness when  
19 adopting guidelines or regulations for the program, but shall  
20 give higher priority to reducing the energy costs borne by  
21 persons who can least afford high energy prices.

22 (h) The commission shall annually prepare and submit to the  
23 Legislature, the Department of Finance, and the Legislative  
24 Analyst's Office a report containing all of the following  
25 information:

26 (1) The number of rental units in the state that have had  
27 refrigerators replaced pursuant to this section.

28 (2) The remaining number of eligible units in the state that are  
29 in need of refrigerator replacement.

30 (3) The energy savings per participating household.

31 (4) The energy savings for the program as a whole.

32 (5) A map indicating areas where refrigerator replacements  
33 have occurred and other areas where refrigerator replacements  
34 have not occurred.

35 (6) A description of the administrative and programmatic  
36 costs for each refrigerator replaced.

37 (7) A description of outreach and education expenditures.

38 (8) An outreach and education plan for the following fiscal  
39 year.

1     (9) *A description of any recommended program modifications*  
2     *for the following fiscal year.*

3     *SEC. 2. Section 399.4 of the Public Utilities Code, as added*  
4     *by Section 4 of Chapter 1050 of the Statutes of 2000, is amended*  
5     *to read:*

6     399.4. (a) (1) In order to ensure that prudent investments in  
7     energy efficiency continue to be made that produce cost-effective  
8     energy savings, reduce customer demand, and contribute to the  
9     safe and reliable operation of the electric distribution grid, it is  
10    the policy of this state and the intent of the Legislature that the  
11    commission shall continue to administer cost-effective energy  
12    efficiency programs authorized pursuant to existing statutory  
13    authority.

14    (2) As used in this section, the term “energy efficiency”  
15    includes, but is not limited to, cost-effective activities to achieve  
16    peak load reduction that improve end-use efficiency, lower  
17    customers’ bills, and reduce system needs.

18    (b) The commission, in evaluating energy efficiency  
19    investments under its existing statutory authorities, shall also  
20    ensure ~~both of the following:~~

21    ~~(1) That that local and regional interests, multifamily~~  
22    ~~dwelling, and energy service industry capabilities are~~  
23    ~~incorporated into program portfolio design and that local~~  
24    ~~governments, community-based organizations, and energy~~  
25    ~~efficiency service providers are encouraged to participate in~~  
26    ~~program implementation where appropriate.~~

27    ~~(2) That no energy efficiency funds are used to provide~~  
28    ~~incentives for the purchase of new energy-efficient refrigerators.~~

29    *SEC. 3. Section 339.4 of the Public Utilities Code, as added*  
30    *by Section 4 of Chapter 1050 of the Statutes of 2000, is repealed.*

31    ~~399.4. (a) (1) In order to ensure that prudent investments in~~  
32    ~~energy efficiency continue to be made that produce cost-effective~~  
33    ~~energy savings, reduce customer demand, and contribute to the~~  
34    ~~safe and reliable operation of the electric distribution grid, it is~~  
35    ~~the policy of this state and the intent of the Legislature that the~~  
36    ~~commission shall continue to administer cost-effective energy~~  
37    ~~efficiency programs authorized pursuant to existing statutory~~  
38    ~~authority.~~

39    ~~(2) As used in this section, the term “energy efficiency”~~  
40    ~~includes, but is not limited to, cost-effective activities to achieve~~

1 ~~peak load reduction that improve end-use efficiency, lower~~  
2 ~~customers' bills, and reduce system needs.~~

3 ~~(b) The commission, in evaluating energy efficiency~~  
4 ~~investments under its existing statutory authorities, shall also~~  
5 ~~ensure both of the following:~~

6 ~~(1) That local and regional interests, multifamily dwellings,~~  
7 ~~and energy service industry capabilities are incorporated into~~  
8 ~~program portfolio design and that local governments,~~  
9 ~~community-based organizations, and energy efficiency service~~  
10 ~~providers are encouraged to participate in program~~  
11 ~~implementation where appropriate.~~

12 ~~(2) That no energy efficiency funds are used to provide~~  
13 ~~incentives for the purchase of new energy-efficient refrigerators.~~

14 *SEC. 4. No reimbursement is required by this act pursuant to*  
15 *Section 6 of Article XIII B of the California Constitution because*  
16 *the only costs that may be incurred by a local agency or school*  
17 *district will be incurred because this act creates a new crime or*  
18 *infraction, eliminates a crime or infraction, or changes the*  
19 *penalty for a crime or infraction, within the meaning of Section*  
20 *17556 of the Government Code, or changes the definition of a*  
21 *crime within the meaning of Section 6 of Article XIII B of the*  
22 *California Constitution.*

23 ~~SECTION 1. Chapter 10.8 (commencing with Section 25940)~~  
24 ~~is added to Division 15 of the Public Resources Code, to read:~~  
25

26 ~~CHAPTER 10.8. ENERGY RELIABILITY AND AFFORDABILITY ACT~~  
27

28 ~~25940. This chapter shall be known, and may be cited, as~~  
29 ~~the Energy Reliability and Affordability Act. The purpose of the~~  
30 ~~act is to increase energy reliability and affordability by reducing~~  
31 ~~the demand for energy by in limited-income residential rental~~  
32 ~~units.~~

33 ~~25940.1. The Legislature finds and declares all of the~~  
34 ~~following:~~

35 ~~(a) In California, refrigerators consume more energy than any~~  
36 ~~other household appliance and consume more energy than any~~  
37 ~~other residential use besides lighting.~~

38 ~~(b) Replacing energy inefficient refrigerators in~~  
39 ~~limited-income residential rental units will greatly benefit all~~  
40 ~~energy consumers by reducing peak and overall energy demand.~~

1 ~~(e) Replacing energy inefficient refrigerators in~~  
2 ~~limited-income residential rental units will further benefit those~~  
3 ~~renters by reducing their energy bills.~~

4 ~~(d) Reducing energy consumption will reduce air pollution,~~  
5 ~~thus reducing public health risks, health care costs, and~~  
6 ~~environmental degradation. Decreasing air pollution will increase~~  
7 ~~the quality of life for all Californians.~~

8 ~~(e) The average first use lifespan of a refrigerator is 19 years,~~  
9 ~~and the average age of the refrigerator fleet in California is 11~~  
10 ~~years.~~

11 ~~(f) Federal energy efficiency standards for refrigerators were~~  
12 ~~set in 1993 and 2001, with each standard requiring an additional~~  
13 ~~30 percent reduction in the appliance's energy consumption.~~  
14 ~~Most refrigerators in California do not meet current minimum~~  
15 ~~federal efficiency standards.~~

16 ~~(g) The United States Department of Energy and the United~~  
17 ~~States Environmental Protection Agency established the Energy~~  
18 ~~Star program in 1992 to identify and promote energy efficient~~  
19 ~~products to reduce greenhouse gas emissions. The Energy Star~~  
20 ~~program qualified refrigerator models that use at least 15 percent~~  
21 ~~less energy than required by federal energy efficiency standards,~~  
22 ~~and 40 percent less energy than the models that meet the 2001~~  
23 ~~standard. The Energy Star program-qualified refrigerators require~~  
24 ~~about half as much energy as models manufactured before 1993.~~

25 ~~(h) Owners of limited-income rental housing units have no~~  
26 ~~incentive to replace older, energy inefficient refrigerators because~~  
27 ~~renters, rather than the owners, typically are the responsible party~~  
28 ~~for the payment of energy bills incurred in those rental units.~~

29 ~~(i) The Public Goods Charge (PGC) on electricity purchases~~  
30 ~~established pursuant to Section 385 of the Public Utilities Code~~  
31 ~~was created in 1996 to support public purpose programs for~~  
32 ~~energy efficiency, low-income services, renewable energy, and~~  
33 ~~energy-related research and development.~~

34 ~~(j) Under existing PGC programs, investor owned utilities~~  
35 ~~have replaced approximately 200,000 energy inefficient~~  
36 ~~refrigerators.~~

37 ~~(k) The PGC is statutorily limited at levels set in 2000.~~

38 ~~(l) Approximately four to five million households in California~~  
39 ~~have a combined household income equivalent to, or less than,~~  
40 ~~175 percent of the federal poverty level.~~

~~(m) By increasing the PGC by approximately forty cents (\$0.40) per residential household per year, the California Public Utilities Commission can raise approximately ten million dollars (\$10,000,000) per year to replace 50,000 energy inefficient refrigerators annually in limited income rental housing.~~

~~(n) Replacing 50,000 energy inefficient refrigerators will save \_\_\_\_\_ kilowatts per year, which is approximately the amount of kilowatts that would have prevented \_\_\_\_\_ blackouts in \_\_\_\_\_ year or the need for \_\_\_\_\_ powerplants.~~

~~25940.2. As used in this chapter, the following terms have the following meanings:~~

~~(a) “Certified appliance recycler” means a person or entity engaged in the business of removing and properly managing materials that require special handling from discarded major appliances, and who is certified pursuant to Section 25211.4 of the Health and Safety Code. “Certified appliance recycler” does not include a person described in subdivision (b) of Section 25211.2 of the Health and Safety Code.~~

~~(b) “Energy efficient refrigerators” means those refrigerator models that meet the 2001 federal energy efficiency standard, and that have also received the Energy Star certification.~~

~~(c) “Energy inefficient refrigerators” means those models that do not meet the 2001 federal energy efficiency standard.~~

~~(d) “Energy Star” means those models of refrigerators that are certified through the United States Department of Energy/United States Environmental Protection Agency Energy Star program.~~

~~(e) “Fund” means the Energy Reliability and Affordability Fund created pursuant to subdivision (a) of Section 25940.4.~~

~~(f) “Limited income” means those individuals and households who qualify for assistance under the California Alternative Rates for Energy (CARE) program established pursuant to Section 739.1 of the Public Utilities Code, including those persons whose household income does not exceed 175 percent of the federal poverty guidelines. For disabled and senior citizens, the income eligibility guidelines are set at 200 percent of the federal poverty level.~~

~~(g) “Owner of a limited income residential rental unit” means the owner of record of any property leased to a limited income individual or household for residential purposes.~~

1     (h) ~~“Program” means the Energy Reliability and Affordability~~  
2 ~~Program, established pursuant to Section 25940.3.~~

3     ~~25940.3. (a) The goal of the program established by this~~  
4 ~~chapter is to reduce energy consumption by replacing 50,000~~  
5 ~~energy inefficient refrigerators in limited-income residential~~  
6 ~~rental units each year, utilizing revenues collected pursuant to~~  
7 ~~this chapter, in addition to those refrigerators previously replaced~~  
8 ~~using funds from the public goods charge established pursuant to~~  
9 ~~Section 385 of the Public Utilities Code. The base year for~~  
10 ~~determining any additional program replacements shall be the~~  
11 ~~2004-05 fiscal year.~~

12     ~~(b) To accomplish this goal, the commission shall establish the~~  
13 ~~Energy Reliability and Affordability Program, which shall do all~~  
14 ~~of the following:~~

15     ~~(1) Provide sufficient incentives to owners of limited-income~~  
16 ~~residential rental units with energy inefficient refrigerators to~~  
17 ~~replace those refrigerators with energy efficient models.~~

18     ~~(2) Provide rebates or other financial incentives that are made~~  
19 ~~available to owners of limited-income residential rental units~~  
20 ~~upon the proof of purchase of the energy efficient refrigerator~~  
21 ~~and proof that the inefficient refrigerator is in the control of a~~  
22 ~~certified appliance recycler.~~

23     ~~(3) Require that any replacement refrigerator to be in~~  
24 ~~operating condition.~~

25     ~~(4) Require that any replacement refrigerators meet or exceed~~  
26 ~~2001 energy efficiency standards and meet or exceed the United~~  
27 ~~States Department of Energy/United States Environmental~~  
28 ~~Protection Agency Energy Star standards for refrigerators.~~

29     ~~(5) Prohibit any refrigerator exchanged as part of this program~~  
30 ~~from being refurbished or reused, but permit the recycling of~~  
31 ~~metal and other parts of the exchanged refrigerator.~~

32     ~~(6) Prioritize the replacement of the least efficient~~  
33 ~~refrigerators.~~

34     ~~25940.4. (a) The Energy Reliability and Affordability Fund is~~  
35 ~~hereby created in the State Treasury. The money in the fund may~~  
36 ~~be expended by the commission for the implementation and~~  
37 ~~administration of this chapter, upon appropriation by the~~  
38 ~~Legislature in the annual Budget Act.~~

39     ~~(b) An amount not exceeding 1 percent of the total amount of~~  
40 ~~moneys annually deposited in the fund may be expended for~~

1 education and outreach. An amount not exceeding one-half of 1  
2 percent from the total amount of moneys annually deposited in  
3 the fund may be expended for administrative costs.

4 (e) The fund is a trust fund and shall contain money from all  
5 interest, and any other proceeds appropriated, transferred, or  
6 otherwise received for purposes pertaining to this chapter. Any  
7 appropriations that are made from the fund shall have an  
8 encumbrance period of not longer than two years, and a  
9 liquidation period of not longer than four years.

10 25940.5. The commission shall adopt guidelines and  
11 regulations to accomplish the purposes of this chapter.

12 25940.6. The commission may contract with an appropriate  
13 entity to replace refrigerators pursuant to this chapter.

14 25940.7. The commission shall consider cost-effectiveness  
15 when adopting guidelines or regulations for the program, but  
16 shall give higher priority to reducing the energy costs borne by  
17 persons who can least afford high energy prices.

18 25940.8. The commission shall annually prepare and submit to  
19 the Legislature, the Department of Finance, and the Legislative  
20 Analyst's Office a report containing the following information:

21 (a) The number of rental units in the state that have had  
22 refrigerators replaced pursuant to this chapter.

23 (b) The remaining number of eligible units in the state that are  
24 in need of refrigerator replacement.

25 (c) The energy savings per participating household.

26 (d) The energy savings for the program as a whole.

27 (e) A map indicating areas where refrigerator replacements  
28 have occurred and other areas where refrigerator replacements  
29 have not occurred.

30 (f) A description of the administrative and programmatic costs  
31 for each refrigerator replaced.

32 (g) A description of outreach and education expenditures.

33 (h) An outreach and education plan for the following fiscal  
34 year.

35 (i) A description of any recommended program modifications  
36 for the following fiscal year.

37 SEC. 2. Section 383.7 is added to the Public Utilities Code, to  
38 read:

39 383.7. (a) The commission shall, at the earliest possible time,  
40 initiate ratemaking proceedings to increase the nonbypassable

1 ~~usage-based charge on local distribution service imposed~~  
2 ~~pursuant to Section 385 in an amount not less than (.006) cents~~  
3 ~~per kilowatthour, or in an amount necessary to generate ten~~  
4 ~~million dollars (\$10,000,000) per year to be used for the purposes~~  
5 ~~of Chapter 10.8 (commencing with Section 25940) of Division~~  
6 ~~15 of the Public Resources Code, whichever is greater.~~

7 ~~(b) A portion of the moneys collected pursuant to subdivision~~  
8 ~~(a) in an amount equal to ten million dollars (\$10,000,000) per~~  
9 ~~year shall be transferred to the Energy Reliability and~~  
10 ~~Affordability Fund created pursuant to subdivision (a) of Section~~  
11 ~~25940.3 of the Public Resources Code, to be held until further~~  
12 ~~action by the Legislature for the purposes of Chapter 10.8~~  
13 ~~(commencing with Section 25940) of Division 15 of the Public~~  
14 ~~Resources Code.~~